

NATIONAL CAPITAL COMMISSION

SUMMARY OF THE CORPORATE PLAN

2006-2007 to 2010-2011

INCLUDES SUMMARIES OF
2006-2007 Operating Budget
2006-2007 Capital Budget

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The Journey Continues

The National Capital Commission (NCC) has a national mission — to continue shaping a Capital that inspires Canadians with pride and fosters unity in this large, diverse and ever-evolving country. To that end, the corporation has begun, and will continue, working to create a great, representative Capital. It will continue to shape and renew its plans in response to emerging realities and opportunities. It will continue to add to the inventory of parks, avenues and public spaces in the Capital, and it will protect these assets in perpetuity. Similarly, it will work to develop up-to-the-minute programming to bring contemporary significance to the public spaces of the Capital.

When Parliament conceived the NCC in 1958, it instructed the Commission to build a Capital for future generations of Canadians. It directed the new corporation to develop visionary plans and to realize them in the form of fine public spaces and inspiring programs. The formulators of the *National Capital Act* understood that to create and nurture a beautiful and meaningful Capital would be a never-ending task and that plans would have to evolve over time. They also knew that, without such long-term planning and effort, the Capital could not achieve its potential as a centre of national identity for Canadians.

This is no easy mandate. Though the NCC delivers its programs locally, it works for a national constituency. The corporation must work openly and productively with local residents. At the same time, the structures and programs in Canada's Capital Region have to resonate nationally, and Canadians have to recognize elements of their own experience in the Capital. To achieve its objectives, the NCC must reach out to many diverse regions and peoples.

The NCC is the third federal organization to address urban planning in the region since 1899. During the past 47 years, it has built on a rich legacy of achievements and has conceived and delivered two visionary plans. Today it is implementing its third master plan: the *Plan for Canada's Capital (1999)*. As the country evolves and the planning horizon shifts forward, the NCC adapts and continues to look to the future.

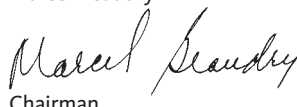
At the same time, the NCC responds to the pressing issues of today. For some years now, the corporation has been working to improve governance structures and to enhance openness and accountability. It is justifiably proud of its achievements in this area, for example, the initiation of an annual public meeting and the creation of new models for public and municipal consultation. It will continue to hone these practices during

the present planning period. It will also refine future public programming to keep pace with the evolution of Canadian society. And, in an era of steeply rising costs, it will address the need for new sources of sustainable funding.

During the planning period, the NCC will continue to produce its flagship events as a means of bringing Canadians together to experience Canadian symbols and themes in the Capital, which will celebrate its 150th anniversary in 2007. Working within the framework of a new commemorations plan, the NCC will plan for the installation of monuments that will collectively represent the Canadian experience. It will strengthen its partnerships with the public, private sector and media. Through the development of the Urban Lands Master Plan, it will complete the Capital's integrated planning framework. It will work with municipalities to plan for improved interprovincial transportation. It will revitalize the Capital core through projects such as the redevelopment of LeBreton Flats. It will continue to respond to the directives and requirements of the federal government and invest in the systems needed to maintain its position as an employer of choice. In addition, the NCC will work with the government to review its mandate, and establish a renewed foundation for the next period of shaping Canada's Capital.

Much has been achieved in the past century, but the work continues. As Canada evolves into the 21st century, the NCC will address new issues. It will adapt to new realities and respond to new demands. What will not change is the NCC's central purpose — to shape the Capital as a beautiful and meaningful reflection of an evolving nation.

Marcel Beaudry



Chairman

CORPORATE PROFILE

National Capital Commission

Mission

Creating pride and unity through Canada's Capital Region.

Mandate

The National Capital Act of 1958, amended in 1988, directs the NCC:

- to prepare plans for and to assist in the development, conservation and improvement of the National Capital Region (NCR) in order that the nature and character of the seat of the Government of Canada may be in accordance with its national significance; and
- to organize, sponsor or promote such public activities and events in the NCR as will enrich the cultural and social fabric of Canada, taking into account the federal character of Canada, the equality of status of the official languages of Canada and the heritage of the people of Canada.

The NCC's mandate also includes coordinating the policies and programs of the Government of Canada respecting the organization, sponsorship or promotion by federal departments of public activities and events related to Canada's Capital Region (CCR); and approving the design of buildings and land use and any changes in use relating to federal lands in CCR.

Creating the Capital

In 1959, Parliament created the NCC with the purpose of developing a Capital that would reflect Canada as it evolved into a great modern state. To achieve that goal, the NCC has over the years acquired ownership of some 474 square kilometres of land in a region that stretches out over 4,715 square kilometres on both sides of the Ottawa River in Ontario and Quebec (see *Appendix A*). Today, the NCC is the single-largest landowner in the NCR (also referred to as CCR).

Legislative Context

As a Crown corporation, the NCC strives to achieve maximum efficiency in its operations, and it is subject to the accountability regime set out in Part X of the *Financial Administration Act*. This legislative framework provides the managerial independence the NCC must have to guide the development of federal lands in the Capital over the long term; the flexibility to harmonize its plans with those of other levels of government in the region; and the authority to enter into partnering arrangements that will further mutual objectives of the corporation and its partners.

Governance and Leadership

The NCC is governed by a national board of directors (the Commission) and, as an organization operating within the Transport Canada portfolio (which includes responsibility for communities and infrastructure), it reports to Parliament through the Minister of Transport, Infrastructure and Communities. The Office of the Auditor General of Canada audits the financial accounts of the NCC annually to verify the accuracy of financial statements and that transactions have been carried out in accordance with Part X of the *Financial Administration Act*. This also includes conducting a special examination every five years — performed most recently in 2002 — to confirm that assets are being safeguarded and controlled; that financial, human and physical resources are being managed efficiently; and that corporate operations are being conducted effectively.

Structure

The chart on page 8 illustrates relationships among the Commission, the various committees (corporate, advisory and special), the chairperson and the senior executives. The corporation has approximately 450 employees who work to achieve the planning, building, promotion and meaningful use of Canada's Capital.

Activities and Products

The NCC operates within four areas of program activity, with associated products, as follows.

ANIMATING AND PROMOTING THE CAPITAL

To generate pride and promote unity through programming in the Capital, the NCC produces a series of high-impact events (notably Canada Day and Winterlude), interpretation programs and commemorations. It also works to increase Canada-wide awareness of the Capital through national marketing and communications campaigns that present the Capital as a place where Canadians can experience Canadian heritage, culture and achievements.

PLANNING, DESIGN AND LAND USE

To ensure that federal lands in CCR develop in a way that is appropriate to the Capital and respectful of heritage and the natural environment, the NCC prepares long-term visionary plans. It defines the National Interest Land Mass to be held in trust for future generations, reviews and approves proposals for all transactions affecting federal land use and design in the Capital. It manages archaeological collections, reviews heritage building designations, and represents the federal government in addressing interprovincial transportation and urban transit issues in CCR with provincial and municipal partners.

REAL ASSET MANAGEMENT

The NCC is responsible — through the delivery of a life-cycle management program — for the maintenance, management and development of more than 470 square kilometres of land in CCR (including many parks and green spaces), as well as hundreds of roads, bridges, pathways and buildings (including six official residences). The NCC also manages approximately 650 leases and provides grounds maintenance for many federal organizations in CCR. It acquires properties of national interest, disposes of surplus properties and implements land development projects to enhance the Capital for future generations.

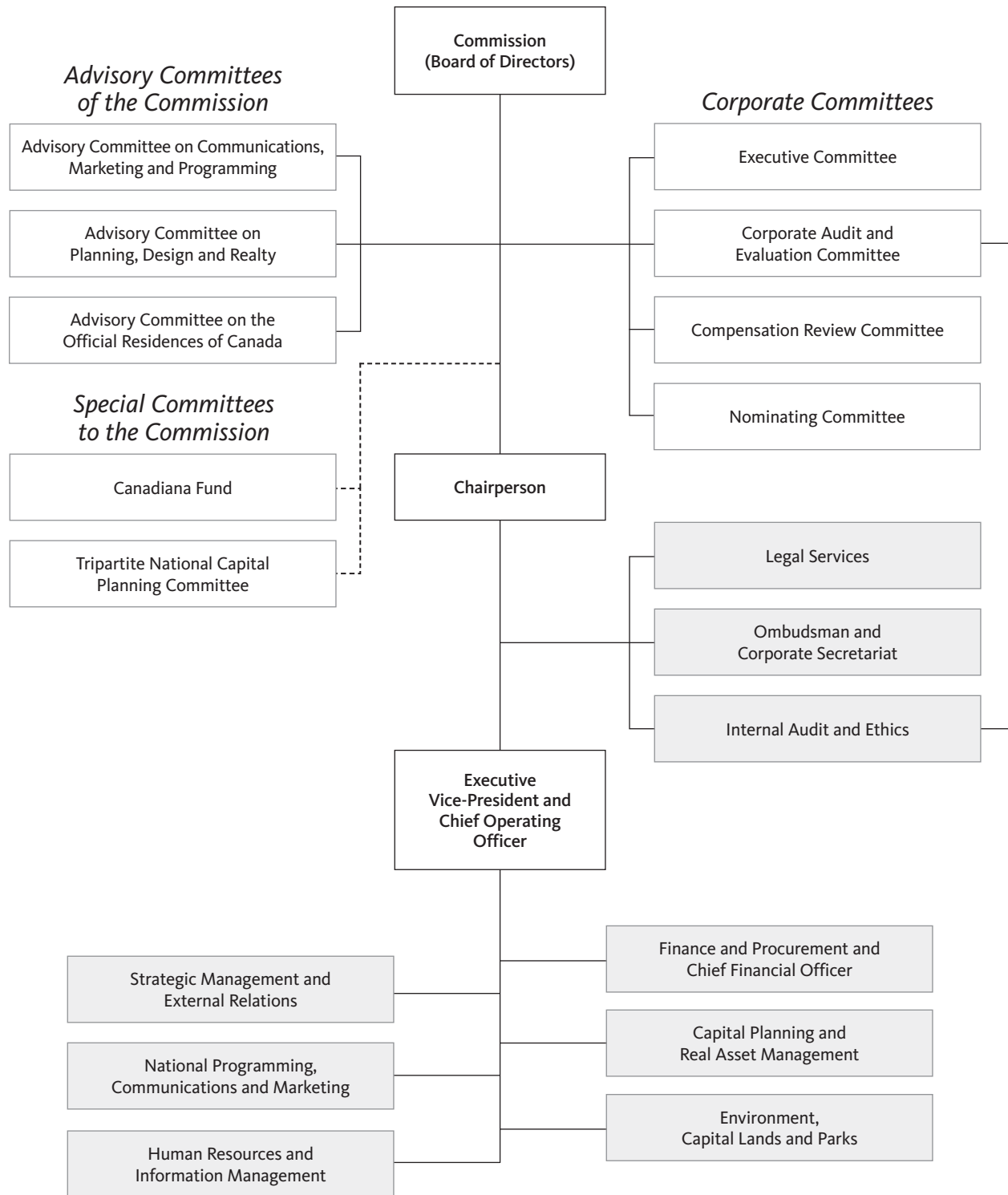
CORPORATE SERVICES

The NCC provides centralized corporate services to promote the efficient and productive use of resources. It produces all legislatively required documents and reports, and conducts research and internal audits. It supplies corporate-wide financial, technical, communications and administrative support, and manages human resources.

Review of Recent NCC Performance

The NCC is meeting the performance targets set for itself in the 2005–2006 to 2009–2010 Summary of the Corporate Plan. Appendix B provides a performance review up to November 30, 2005.

Structure of the National Capital Commission



The audit function reports directly to the Corporate Audit and Evaluation Committee.

EXTERNAL ENVIRONMENT

Responding to Challenges and Opportunities

The overall picture is one of strength and confidence. Canada today leads the world in terms of economic growth.

Levels of education are the highest in the industrialized world, and crime levels are steadily dropping.

At the same time, the country is struggling to deal with social change and diversification, mushrooming cities, and an aging population. These are factors that could affect how the NCC does its work.

Every year, the corporation begins the planning process with an analysis of the external environment.

Every year, it shapes its programs in light of changes, challenges and opportunities that continue to emerge in Canada and around the world.



World and Canadian Trends

Despite a global economy that is faced with rising interest rates, areas of instability and political unrest, the Canadian economy is strong. The market is adjusting well to the high Canadian dollar, inflation remains within the Bank of Canada's target area and the debt-to-GDP (gross domestic product) ratio is half what it was a decade ago. Education levels in Canada are the highest in the G8, and crime rates are falling. Population growth continues to depend on immigration, and the proportion of Canadians from visible minority groups is rising. The concept of "family" is in transition, with increasing numbers of common-law couples, lone-parent families and same-sex couples. The aging trend continues, and the concentration of people in cities is creating financial pressures for municipalities as they struggle to accommodate growth.

Federal Government

The change in government at the beginning of 2006 will result in new government priorities, notably in the areas of federal accountability, taxes, reducing crime, child care and health care wait times. In many areas, the changes are unlikely to affect the NCC, but the Commission will continue to respond to new requirements, as they arise. The NCC will become subject to the *Canadian Environmental Assessment Act* in June 2006.

Canada's Capital Region

The NCC is working with the provinces of Ontario and Quebec and local municipalities to address infrastructure challenges. In particular, it is taking part in several studies to improve urban transit and interprovincial transportation in the region. The housing market has benefited from low mortgage rates and the regional housing boom, and housing prices and rental vacancy rates are both high. The federal government continues to seek more competitive office space in Gatineau and is examining the alternatives related to managing federal office properties. Tourism in CCR has rebounded since 2003, especially in terms of domestic travel. Positive factors for the future include China's granting of "approved destination status" for Canada, the growth of cultural tourism and a number of upcoming anniversaries in Canada's Capital.

STRATEGIC ISSUES

Toward Effectiveness, Relevance and Responsibility

Every year, the NCC identifies current strategic considerations. At the same time, it recognizes a larger strategic context that remains relatively constant from year to year and which includes issues such as national unity, the need to protect public safety and security, and ongoing responsibility for environmental stewardship in CCR.

These are the perennial considerations that, together with the current strategic issues described below, continue to shape the plans of the NCC and the future of Canada's Capital Region.



Sustainable Funding

The need for sustainable funding is the biggest challenge facing the NCC. Federal appropriations were reduced by \$500,000, starting in 2004–2005. At the same time, the corporation must cope with the constantly inflating cost of accommodation, energy and contracted services. It must also deal with new costs related to the more stringent reporting, oversight, security and environmental requirements of the federal government. In 2005, the NCC began a three-year process of cuts to reduce operating costs. As well, if it is to eventually discontinue its dependency on the proceeds of the sale of surplus lands to fund its real asset maintenance and rehabilitation, it will require a new funding source.

Programming for the Future

Canada is evolving steadily into an increasingly diverse society. The NCC plays a role in promoting cultural diversity and social cohesion. In doing so, it strives to achieve the right balance between national and local programming and to reach out through marketing to a nationally representative constituency. Two major celebrations in 2007 (the 150th anniversary of Ottawa being named the Capital of Canada and the 175th anniversary of the Rideau Canal) will permit the NCC to communicate the Capital to Canadians and celebrate its diversity.

Governance and Accountability

Public accountability and governance remain key strategic issues. In 2005, the federal government published a major study of Crown corporation accountability and management strength. From the results of the study, the NCC determined that it had already addressed most requirements. In the wake of its own study in 2000, it had successfully strengthened governance practices, enhanced corporate transparency, improved relationships with the external community and bolstered the public consultation process. The NCC will follow central agency guidance in moving forward to address new requirements related to training, certification and other governance issues.

Bringing Life, Meaning and Sustainability to the Capital

NCC Strategic Outcome

Optimum contribution of federal lands and public programs in creating
a Capital as a source of pride and of national significance.



1. Animating and Promoting the Capital

OBJECTIVE / EXPECTED RESULT

Canadians have a better understanding of their Capital and identify with its role and significance.

1.1 EVENTS, INTERPRETATION PROGRAMS AND COMMEMORATIONS

EXPECTED RESULT

NCC programs and services enrich the Capital experience and help Canadians appreciate the significance of its sites and symbols and celebrate their nationhood.

SUMMARY

The NCC will continue to focus on a number of flagship events. For Canada Day, it will seek a national broadcast agreement for the evening show on Parliament Hill. Winterlude will continue using three main sites — the Rideau Canal Skateway, Confederation Park and Jacques-Cartier Park — with ice- and snow-carving competitions and live performances at Snowbowl. LeBreton Flats provides a new festival site for the region, with an annual program to be launched in 2007. Key interpretive sites will include Parliament Hill and Confederation Boulevard, where interpretation panels, publications and way-finding tools will enhance visitor appreciation of the Capital. A new series of interpretation elements will be introduced on the Quebec shoreline of the Ottawa River and at LeBreton Flats. For the youth constituency in particular, the NCC will provide walking and bus tours, interactive activities, publications and web-based educational tools. New commemorations will be located within the framework of the new Canada's Capital Commemoration Plan to achieve balance and diversity.

PERFORMANCE TARGETS

A. Programming Events

- Over the planning period, the NCC will continue to deliver a number of flagship programs in the heart of the Capital to achieve the following objectives:
 - maintain high levels of attendance at flagship events and programs
 - Sound and Light Show (target: 185,000)
 - Canada Day (target: 300,000)
 - Winterlude (target: 600,000);
 - maintain public satisfaction levels of 85 percent or higher with respect to events and programs;
 - establish a new national broadcast partnership for the Canada Day evening show;
 - complete the official launch of the NCC's festival park on LeBreton Flats for summer 2007.

B. Interpretation Programs

- Maintain an 85 percent satisfaction rate and 700,000 visits per year for Parliament Hill programs.
- Complete Phase II of the Streetscape interpretation program on Confederation Boulevard and Phase I of the Quebec Shore Interpretation Program by summer 2006.
- Provide services to 325,000 visitors annually at the Capital Infocentre, and maintain an 80 percent service standard level at the Capital Contact Centre (over a volume of about 80,000 calls and emails).
- Attract 33,000 participants in a variety of youth programs.

C. Commemorations

- Complete a comprehensive commemorations plan by spring 2006.
- The Valiants Memorial will be unveiled in fall 2006.

1.2 MARKETING AND COMMUNICATIONS

EXPECTED RESULT

The message of Canada's Capital, as a place to experience our heritage, culture and achievements is communicated to Canadians.

SUMMARY

To improve visibility and promotion, the NCC will pursue cost-effective partnering arrangements with the media, emphasize national marketing and outreach, and strengthen the Green Capital concept. With respect to external relations, the corporation will proactively inform the media of current issues. It will also integrate new models of public participation into activity and program management, master plans, and key project reviews. In the area of revenue generation and strategic partnerships, the corporation will establish new strategic alliances, emphasizing agreements with major sponsors that will yield a high return on investment. Retail merchandising activities will be phased out, and wholesale activities will be retained only when profitability is ensured.

PERFORMANCE TARGETS

- By the end of 2007–2008,
 - increase unaided awareness of the NCC to 60 percent among residents of CCR;
 - maintain Canadians' level of pride in the Capital at a minimum level of 80 percent.
- By the end of 2007–2008, increase positive perception ratings of the NCC to 76 percent among residents of CCR.
- By the end of 2009–2010, increase positive perception ratings of the NCC's public consultations to 41 percent among residents of CCR.
- Achieve cash sponsorships of \$966,000 annually over the planning period.
- Establish new strategic alliances and focus on high return on investment arrangements with major sponsors.

2. Planning, Design and Land use

OBJECTIVE / EXPECTED RESULT

Federal lands reflect the role and significance of the Capital, as an appropriate setting for the seat of government and for national events and commemorations.

2.1 PLANNING THE CAPITAL

SUMMARY

The NCC will complete the Capital Planning Framework at the master plan level by developing the Capital Urban Lands Master Plan and will continue, in the context of the Core Area Sector Plan, to work on the Ottawa River Islands Area Plan and to press the federal government for assistance in implementing this aspect of *Canada's Capital in the 21st Century* (formerly *Capital Agenda 21*).

PERFORMANCE TARGETS

- By the end of 2009–2010, the Capital Urban Lands Master Plan will be completed.
- Area Plans: Core Area Sector
 - Escarpment District: Complete by the end of 2006–2007.
 - Ottawa River Corridor: Complete by 2007–2008.
 - Rideau Canal North: Initiate during the planning period, subject to partner discussion.

2.2 TRANSPORTATION PLANNING

SUMMARY

With respect to transportation, the NCC will manage the environmental assessment for future interprovincial crossings in CCR, with its provincial partners, Ontario and Quebec. It will also participate with the cities of Ottawa and Gatineau in studying options for integrating interprovincial rapid transit in the core area of the Capital.

PERFORMANCE TARGETS

- The NCC will coordinate conduct of the environmental assessment study for future interprovincial crossings in CCR in cooperation with its funding partners, starting in 2006–2007. The study will be completed by 2008–2009.
- The environmental assessment for rapid transit integration in the Capital core area is planned to be completed in 2007–2008.

2.3 DESIGN AND LAND-USE APPROVALS

SUMMARY

Regarding design and land-use approvals, the NCC will continue to manage and control the physical presence of the federal government in CCR through the Federal Land Use, Transaction and Design Approvals process and to implement federal heritage and archaeological policies.

PERFORMANCE TARGET

- Over the planning period, the NCC will review approximately 300 submissions annually for federal approval of design, land use and transactions.

3. Real Asset Management

OBJECTIVE / EXPECTED RESULT

Federal assets under the responsibility of the NCC (parks and green spaces, leased properties, official residences, recreational pathways, buildings, bridges and roads) are developed, maintained and managed in accordance with their national Capital significance, in order to enrich visitors' and residents' experience of the Capital.

3.1 CORE CAPITAL PROJECTS

EXPECTED RESULT

NCC core area projects contribute to the symbolic, political, cultural and administrative primacy of the heart of the Capital.

SUMMARY

In redeveloping LeBreton Flats (*see Appendix C*), the NCC will continue to plan remediation and infrastructure improvements and landscaping to allow use of the Common for national and regional events, and continue to redevelop lands designated as non-National Interest Land Mass. The corporation will continue, with partners, to develop and undertake life cycle improvements to Confederation Boulevard. It will redevelop core properties on the south side of Sparks Street with mixed commercial and residential uses and will help complete the upgrade to Saint-Laurent and Maisonneuve boulevards through its contribution agreement with the City of Gatineau. In managing assets, the NCC will focus on the Capital core and emphasize projects that will reduce maintenance costs while ensuring the safety of assets and of the public.

A. LeBreton Flats Redevelopment

EXPECTED RESULT

The completion of the National Interest Land Mass (NILM) component of the LeBreton Flats redevelopment is a significant contribution to the symbolic, political, cultural and administrative primacy of the heart of the Capital.

PERFORMANCE TARGETS

- Rehabilitate major NILM components for public use (e.g. the Common, including the event square) by 2007–2008.
- By the end of 2006–2007, and subject to market conditions, complete the sale of Blocks U and T, in keeping with the deadlines of the consent decision of the City of Ottawa (*refer to Appendix C*).

- By the end of 2006–2007, complete stages 1 to 4 of an archaeological investigation of Blocks J, K, L, M, N and O.
- By the end 2006–2007, receive approval from the City of Ottawa for the infrastructure constructed by the NCC.

B. Confederation Boulevard

EXPECTED RESULT

Confederation Boulevard is established as “Canada’s Main Street,” a ceremonial route that symbolically and physically links the founding cultures and provides an appropriate setting to national institutions.

PERFORMANCE TARGETS

- The NCC will complete the following initiatives:
 - Mackenzie/Sussex infrastructure by the end of 2006–2007;
 - Sussex South (substantially) by the end of 2007–2008;
 - Sussex Drive mid-section (from the former Canadian War Museum to King Edward Avenue), substantially, by the end of 2009–2010.

C. Other Core Initiatives

EXPECTED RESULT

Other core area projects enhance and animate the heart of the Capital.

PERFORMANCE TARGETS

- Sparks Street (Canlands B): Substantial completion in 2005–2006 and occupancy in 2006–2007.
- Saint-Laurent/Maisonneuve: By the end of 2006–2007, the NCC will contribute the remaining amount of \$1.8 million to the City of Gatineau for upgrades and landscaping.

3.2 LAND AND REAL ASSET MANAGEMENT

EXPECTED RESULT

Federal assets, including public amenities under the responsibility of the NCC, are managed and rehabilitated for public use.

SUMMARY

The NCC will continue to design and manage park services and facilities, and communicate environmental messages. To cope with ongoing inflation and funding shortfalls, it will reduce or eliminate services provided free of charge to federal organizations, examine options for improving returns from the leasing portfolio and continue to dispose of surplus lands, pursuant to federal legislation and policies. The NCC will protect the environmental health of assets through its environmental action plan, ongoing assessments, mitigation measures and cleanups, as required. Efforts relating to the green capital will focus on the core area. As well, the updated Gatineau Park Master Plan will be implemented to improve the ecological integrity of the park. As a first step, the NCC will enhance gateways and signage to reinforce park boundaries and signal entry into a conservation area. The corporation will expand services and marketing of the Rideau Canal Skateway as the world’s largest skating rink, rehabilitate existing pathways and work with partners to complete new links according to the integrated plan for recreational pathways. Outside of the core area, the NCC will rehabilitate assets according to life cycle standards set for its Multi-Year Capital Construction Program (see Appendix D).

A. Operating and Maintenance

EXPECTED RESULT

Federal assets, including public amenities under the responsibility of the NCC, are managed to meet life cycle requirements and to ensure a level of quality and safety appropriate for use by the public.

PERFORMANCE TARGETS

- By the end of 2007–2008, implement a rationalization of contracted maintenance services to focus investments on core land assets that directly support the NCC’s mandate.
- Achieve the following gross leasing revenue targets over the planning period:
 - 2006–2007: \$15.065 million;
 - 2007–2008 to 2010–2011: \$15.036 million (per year).
- By the end of 2009–2010, revise the National Capital Commission Traffic and Property Regulations to enhance the corporation’s ability to govern the use of its property.
- Generate land disposal revenues of \$6.0 million per year, over the planning period.
- Generate revenues of \$750,000 per year for easements and licences of occupation, over the planning period.
- Contaminated sites: Complete, by the end of 2008–2009, the preliminary assessments (Phase I) of remaining low-priority sites, concurrently with assessments of on-site fuel storage tanks.
- During the planning period, implement the updated Gatineau Park Master Plan and identify options to enhance the corporation’s authority over all aspects of the park in order to provide for the long-term protection and integrity of the park’s boundaries and ecosystems, through the following initiatives:

- by 2006–2007, complete the review of legislation and regulations necessary for the long-term protection of Gatineau Park;
- by the end of 2008–2009, complete a conservation plan for park ecosystems;
- by the end of 2010, complete a green transportation plan, a recreational services plan and a heritage conservation plan;
- by 2010–2011, eliminate off-road motorized activities, as indicated in the master plan.

B. Non-Core Area Asset Rehabilitation Projects

EXPECTED RESULT

Federal assets under the responsibility of the NCC are rehabilitated to meet life cycle requirements, facilitate public access and contribute to the Capital vision.

PERFORMANCE TARGET

- During the planning period, the NCC will continue to undertake appropriate rehabilitation of major and minor assets in CCR as part of the Multi-Year Capital Construction Program (*see Appendix D*).

3.3 OFFICIAL RESIDENCES

EXPECTED RESULT

The official residences are furnished, maintained and rehabilitated to safeguard their national heritage, to provide safe and appropriate accommodations for Canada’s official leaders, and inspiring properties and grounds for the conduct of state events and ceremonies.

SUMMARY

The NCC will apply new long-term funding received for the official residences to address priority issues of health and safety, universal accessibility, heritage, infrastructure, and rehabilitation.

A. Rideau Hall

EXPECTED RESULT

Rideau Hall is managed in keeping with its national significance as an official residence of the Governor General of Canada, as a workplace for the Office of the Secretary of the Governor General, and as a year-round venue for state events, ceremonies and public activities.

PERFORMANCE TARGET

- During the planning period, complete \$21.2 million of capital works at Rideau Hall to address the most critical elements of the health and safety backlog and fundamental building and infrastructure issues.

B. Other Residences

EXPECTED RESULT

The other five residences in CCR are maintained and rehabilitated in keeping with their national significance and use as official accommodations for Canada's leaders and venues for state events and activities.

PERFORMANCE TARGET

- During the planning period, complete \$7.4 million of capital works at these five official residences to address the most critical elements of the health and safety backlog and fundamental building, infrastructure and functionality issues.

C. General Non-Property Specific

EXPECTED RESULT

Assets are acquired and maintained and services are provided to support the operations and maintenance of the official residences.

PERFORMANCE TARGET

- Spend approximately \$5.3 million over the planning period to acquire and maintain more than 10,000 assets and to continue the existing level of services to the official residences.

3.4 PAYMENTS IN LIEU OF TAXES

EXPECTED RESULT

Payments to municipalities and school boards in Quebec are made in a timely manner.

SUMMARY

The NCC will review payments in lieu of taxes to ensure that it is making equitable, timely payments.

PERFORMANCE TARGET

- One hundred percent of payment in lieu of taxes on NCC properties is paid to taxing authorities (municipalities and school boards in Quebec) by taxation year due dates, excluding those being challenged in accordance with the *National Capital Act* and *Payments in Lieu of Taxes Act*.

4. Corporate Services

OBJECTIVE

To provide corporate-wide operational support to guide strategic, financial, legal and human resource management, as well as technological tools and expertise to ensure the effective and efficient operation of the corporation.

4.1 CENTRAL SERVICES

SUMMARY

As a Crown corporation, the NCC respects all applicable federal legislation, policies and regulations and adheres to accepted principles of business administration. The corporation will monitor government reviews and respond to new requirements, such as developing an Enterprise Risk Management Framework. With regard to new technology, the corporation will upgrade systems and equipment, maintain a secure infrastructure, provide training and technical support, and update its web technologies to continue to provide efficient and effective working tools for the organization. In the area of governance and ethics, the NCC will continue to adhere to applicable Treasury Board directives. It is ready to address any legislative change related to the separation of the chairperson and chief executive officer positions, and will establish a code of ethics. Corporate research will continue to monitor the success of NCC programs, while helping to improve reporting to government through the Program Activity Architecture. The corporation will continue to respond in a timely way to internal and external audit and evaluation recommendations.

PERFORMANCE TARGETS

- By the end of 2007–2008, develop and implement an Enterprise Risk Management Framework.
- By summer 2006, complete the review of NCC by-laws to identify necessary revisions pertaining to the implementation of applicable directives from the Treasury Board of Canada Secretariat regarding the governance of Crown corporations.
- In 2006–2007, implement a new code of ethics for the NCC, including a policy for implementing newly passed disclosure protection legislation and a conduct manual for members of the Commission.
- During the planning period, implement the three-year Corporate Research Plan.

4.2 HUMAN RESOURCES

SUMMARY

In the area of human resources, the NCC will invest in the processes needed to maintain its employer of choice status — notably, succession planning, employment equity, corporate values, and health and safety. The NCC will provide transition support for employees who are affected by operating cost reductions in the next three years.

PERFORMANCE TARGETS

- During the planning period, implement applicable principles and components of the human resource modernization legislation.
- By 2009–2010, implement an Integrated Human Resources Management Framework.

FINANCIAL TABLES

Operating Budget for the Years Ending March 31, 2005 to 2007

	(thousands of dollars)						
	2007 Budget	2006 Budget	2006 Forecast	2006 Variance	2005 Budget	2005 Actual	2005 Variance
FUNDING							
Operating appropriations	70,838	65,919	68,467	(2,548)	65,623	67,079	(1,456)
Official residences program							
Rideau Hall	2,275	431	474	(43)	994	994	0
Other residences	700	115	146	(31)	265	265	0
General non-property specific	525	29	110	(81)	66	66	0
Sparks Street revitalization	0	0	0	0	230	0	230
Carry-over	34,500	28,085	37,240	(9,155)	22,152	31,311	(9,159)
Revenues	24,353	23,495	26,288	(2,793)	22,665	28,256	(5,591)
Capitalization policy impact — from/to capital	6,754	3,000	9,944	(6,944)	0	7,689	(7,689)
Transfer from the Acquisition and Disposal Fund	804	781	804	(23)	765	439	326
	<u>140,749</u>	<u>121,855</u>	<u>143,473</u>	<u>(21,618)</u>	<u>112,760</u>	<u>136,099</u>	<u>(23,339)</u>
EXPENDITURES							
Animating and promoting the Capital	18,982	15,823	18,487	(2,664)	15,591	18,557	(2,966)
Planning, design and land use	2,568	2,349	3,018	(669)	2,130	1,974	156
Real asset management	61,668	54,258	61,923	(7,665)	54,965	55,171	(206)
Corporate services	24,326	23,932	25,545	(1,613)	22,390	23,157	(767)
	<u>107,544</u>	<u>96,362</u>	<u>108,973</u>	<u>(12,611)</u>	<u>95,076</u>	<u>98,859</u>	<u>(3,783)</u>
EXCESS OF FUNDING OVER EXPENDITURES	<u>33,205</u>	<u>25,493</u>	<u>34,500</u>	<u>(9,007)</u>	<u>17,684</u>	<u>37,240</u>	<u>(19,556)</u>

Capital Budget for the Years Ending March 31, 2005 to 2007

(thousands of dollars)

	2007 Budget	2006 Budget	2006 Forecast	2006 Variance	2005 Budget	2005 Actual	2005 Variance
FUNDING							
Capital appropriations	12,213	12,463	12,463	0	13,213	13,213	0
Official residences program							
Rideau Hall	3,183	0	605	(605)	188	188	0
Other residences	830	0	230	(230)	50	50	0
General non-property specific	487	0	0	0	12	12	0
LeBreton Flats redevelopment	0	9,600	9,600	0	19,800	19,800	0
Carry-over	15,990	12,331	25,210	(12,879)	2,685	30,256	(27,571)
Capitalization policy impact to/from operating	(6,754)	(3,000)	(9,944)	6,944	0	(7,689)	7,689
Transfer from the Acquisition and Disposal Fund	16,601	8,689	9,127	(438)	11,519	7,494	4,025
	42,550	40,083	47,291	(7,208)	47,467	63,324	(15,857)
EXPENDITURES							
Real Asset Management							
Confederation Boulevard	2,155	1,038	1,525	(487)	2,916	1,703	1,213
LeBreton Flats redevelopment	5,700	14,844	9,530	5,314	19,800	24,697	(4,897)
Sparks Street revitalization	0	0	3,727	(3,727)	0	0	0
Official residences							
Rideau Hall	3,183	1,286	1,002	284	1,832	500	1,332
Other residences	830	343	2,059	(1,716)	488	63	425
General non-property specific	487	85	66	19	122	6	116
Real property acquisitions	500	500	500	0	993	128	865
Other projects *	18,930	16,990	11,933	5,057	20,896	10,587	10,309
	31,785	35,086	30,342	4,744	47,047	37,684	9,363
Corporate Services	475	624	959	(335)	420	430	(10)
	32,260	35,710	31,301	4,409	47,467	38,114	9,353
EXCESS OF FUNDING OVER EXPENDITURES	10,290	4,373	15,990	(11,617)	0	25,210	(25,210)

* Includes capital projects from other sectors managed under the Multi-Year Capital Construction Program.

Balance Sheet as at March 31, 2005 to 2011

	(thousands of dollars)						
	2005 Actual	2006 Forecast	2007 Projection	2008 Projection	2009 Projection	2010 Projection	2011 Projection
ASSETS							
Current assets	96,263	102,302	83,516	81,214	80,758	75,031	76,140
Long-term investments	8,427	5,698	5,983	6,282	6,597	6,926	7,273
Long-term receivables	2,795	2,618	2,441	2,264	2,087	1,910	1,733
Capital assets	554,448	558,071	560,450	559,941	560,094	564,080	559,420
Capital assets held for sale	8,002	268	0	0	0	0	0
	<u>669,935</u>	<u>668,957</u>	<u>652,390</u>	<u>649,701</u>	<u>649,536</u>	<u>647,947</u>	<u>644,566</u>
LIABILITIES AND EQUITY							
Current liabilities	27,679	22,471	14,748	14,126	14,109	14,109	14,109
Long-term liabilities	34,290	28,556	27,573	27,548	27,553	27,508	27,515
	61,969	51,027	42,321	41,674	41,662	41,617	41,624
Equity of Canada	607,966	617,930	610,069	608,027	607,874	606,330	602,942
	<u>669,935</u>	<u>668,957</u>	<u>652,390</u>	<u>649,701</u>	<u>649,536</u>	<u>647,947</u>	<u>644,566</u>

Statement of Operations for the Years Ending March 31, 2005 to 2011

	(thousands of dollars)						
	2005 Actual	2006 Forecast	2007 Projection	2008 Projection	2009 Projection	2010 Projection	2011 Projection
INCOME							
Rental operations and easements	18,959	18,516	18,209	18,177	18,177	18,177	18,177
Net gain on disposal of capital assets	2,092	20,503	4,200	4,200	4,200	4,200	4,200
Interest	2,685	3,133	3,008	2,680	2,633	2,623	2,638
Sponsorship							
Cash	1,197	1,086	966	966	966	966	966
Goods and services	1,012	750	750	750	750	750	750
Sublease, headquarters	1,474	1,618	1,881	1,906	1,932	1,967	1,995
User access fees	1,602	1,115	1,115	1,115	1,115	1,115	1,115
Other fees and recoveries	4,408	3,302	2,087	1,858	1,858	1,858	1,858
	<u>33,429</u>	<u>50,023</u>	<u>32,216</u>	<u>31,652</u>	<u>31,631</u>	<u>31,656</u>	<u>31,699</u>
COST OF OPERATIONS							
Animating and promoting the Capital	22,700	20,731	21,236	19,779	18,190	18,082	19,146
Planning, design and land use	1,974	3,018	2,568	2,096	1,896	1,793	1,793
Real asset management	75,684	80,494	80,361	76,808	76,514	76,493	76,772
Corporate services	23,972	28,261	27,313	27,078	27,251	27,599	28,143
	<u>124,330</u>	<u>132,504</u>	<u>131,478</u>	<u>125,761</u>	<u>123,851</u>	<u>123,967</u>	<u>125,854</u>
Net cost of operations before parliamentary appropriations	(90,901)	(82,481)	(99,262)	(94,109)	(92,220)	(92,311)	(94,155)
Parliamentary appropriations	68,404	69,197	74,338	75,004	75,004	75,204	75,204
NET LOSS	<u>(22,497)</u>	<u>(13,284)</u>	<u>(24,924)</u>	<u>(19,105)</u>	<u>(17,216)</u>	<u>(17,107)</u>	<u>(18,951)</u>

Statement of Equity of Canada for the Years Ending March 31, 2005 to 2011

	(thousands of dollars)						
	2005 Actual	2006 Forecast	2007 Projection	2008 Projection	2009 Projection	2010 Projection	2011 Projection
OPERATIONS							
Balance at beginning of year	591,050	602,511	612,125	603,914	601,522	601,019	599,125
Net loss	(22,497)	(13,284)	(24,924)	(19,105)	(17,216)	(17,107)	(18,951)
Parliamentary appropriations to acquire and improve capital assets	33,263	22,898	16,713	16,713	16,713	15,213	15,213
Donation of works of art	695	0	0	0	0	0	0
Balance at end of year	<u>602,511</u>	<u>612,125</u>	<u>603,914</u>	<u>601,522</u>	<u>601,019</u>	<u>599,125</u>	<u>595,387</u>
CANADIANA FUND							
Balance at beginning of year	5,206	5,455	5,805	6,155	6,505	6,855	7,205
Donations	249	350	350	350	350	350	350
Balance at end of year	<u>5,455</u>	<u>5,805</u>	<u>6,155</u>	<u>6,505</u>	<u>6,855</u>	<u>7,205</u>	<u>7,555</u>
TOTAL BALANCE AT END OF YEAR	<u><u>607,966</u></u>	<u><u>617,930</u></u>	<u><u>610,069</u></u>	<u><u>608,027</u></u>	<u><u>607,874</u></u>	<u><u>606,330</u></u>	<u><u>602,942</u></u>

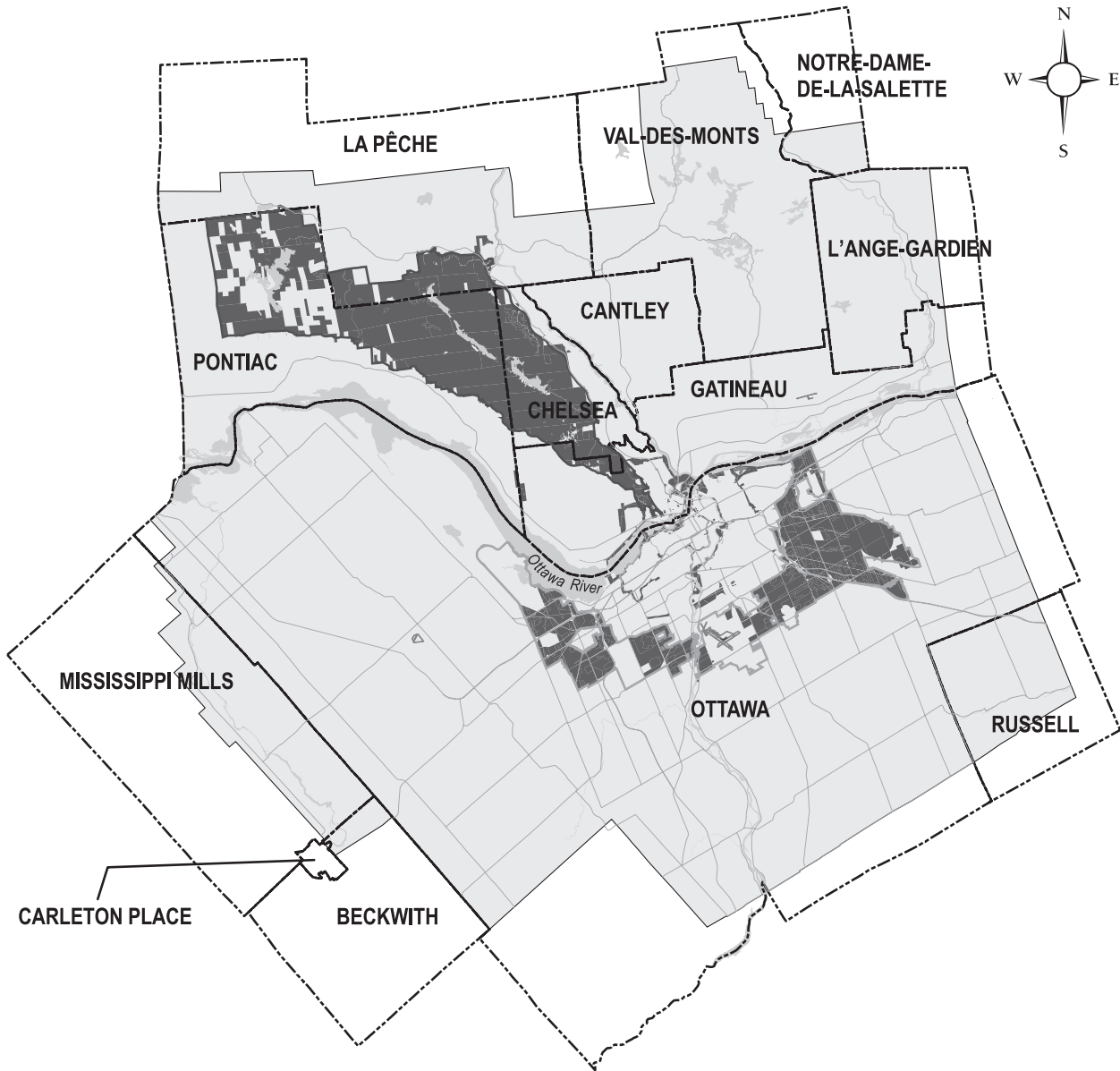
Statement of Cash Flows for the Years Ending March 31, 2005 to 2011

(thousands of dollars)

	2005 Actual	2006 Forecast	2007 Projection	2008 Projection	2009 Projection	2010 Projection	2011 Projection
Cash flows from operating activities	1,669	(15,038)	(7,347)	(1,164)	719	784	(855)
Cash flows from investing activities	(30,970)	718	(28,157)	(17,856)	(17,893)	(21,729)	(13,254)
Cash flows from financing activities	33,277	22,903	16,718	16,718	16,718	15,218	15,218
Increase (decrease) in cash and cash equivalents	3,976	8,583	(18,786)	(2,302)	(456)	(5,727)	1,109
Cash and cash equivalents at beginning of year	51,215	55,191	63,774	44,988	42,686	42,230	36,503
CASH AND CASH EQUIVALENTS AT END OF YEAR	55,191	63,774	44,988	42,686	42,230	36,503	37,612

APPENDIX A

Map of NCC Land Ownership



NCC-OWNED LANDS



Effective November 10, 2005

Review of the NCC's 2005–2006 Performance to November 30, 2005

1. Animating and Promoting the Capital

Parliament Hill Programming: *Discover the Hill* and Infotent programs achieved over 760,000 contacts (a 4 percent increase over 2004). A new Sound and Light Show, “The Spirit of a Country,” was launched and attracted 227,000 people, a 48 percent increase over 2004, with 90 percent indicating that they were highly satisfied (versus a target of 85 percent), and agreeing that the show increased their pride in being Canadian.

Canada Day 2005: An estimated 300,000 people attended Canada Day celebrations in CCR, with a focus on Canada’s multicultural communities.

Canada and the World Pavilion: The Pavilion completed its fifth and final season with visitation exceeding levels from previous years.

Rideau Canal Skateway: Guinness World Records added the Skateway as the world’s largest naturally frozen ice rink.

Interpretation: Eight streetscape panels were installed at federal institutions on Confederation Boulevard, with seven more scheduled for installation in 2006. With Veterans Affairs Canada, the NCC developed banners to celebrate the 60th anniversary of the end of the Second World War, and presented a photographic exhibit on VE/VJ Day.

Public Relations and Promotion: The public continued to provide feedback through the fourth annual meeting with special interest groups and 18 events delivered through the Speakers’ Bureau. Public access to information was streamlined by redesigning the NCC’s two websites as one.

Sponsorship: The NCC will exceed its cash sponsorship target, including an agreement with Amex to be a major sponsor and partner of Winterlude 2006 and the 2006 Rideau Canal Skateway season.

2. Planning, Design and Land Use

Gatineau Park Master Plan: The plan was approved in May 2005.

Core Area Sector Plan: The plan was approved and is available to the public.

Future Interprovincial Crossings — Environmental Assessment: The partnership agreement is awaiting final endorsement by Ontario and Quebec.

Capitals Alliance 2005: The NCC hosted the 2005 meeting for this international conference, which was attended by delegates representing five world capitals, and included speakers from other capitals.

3. Real Asset Management

Construction of the riverfront park and Event Square was completed and the Common was substantially completed. The first phase of land sales for residential–commercial development was concluded.

Bytown Bridges: The bridges opened in 2005.

Official Residences: Urgent health and safety work began at 24 Sussex Drive, following Treasury Board approval of the multi-year capital works plan and ongoing capital funding.

Proceeds from Property Disposals: Disposal proceeds totalled \$29 million, well in excess of the \$6 million yearly target.

Recreational Pathways: The pathway safety plan was expanded in its second year, and construction and rehabilitation of pathways continued in the core area of the Capital.

4. Corporate Services

2004–2005 Annual Report: The report included strengthened governance reporting and a new Management Discussion and Analysis section.

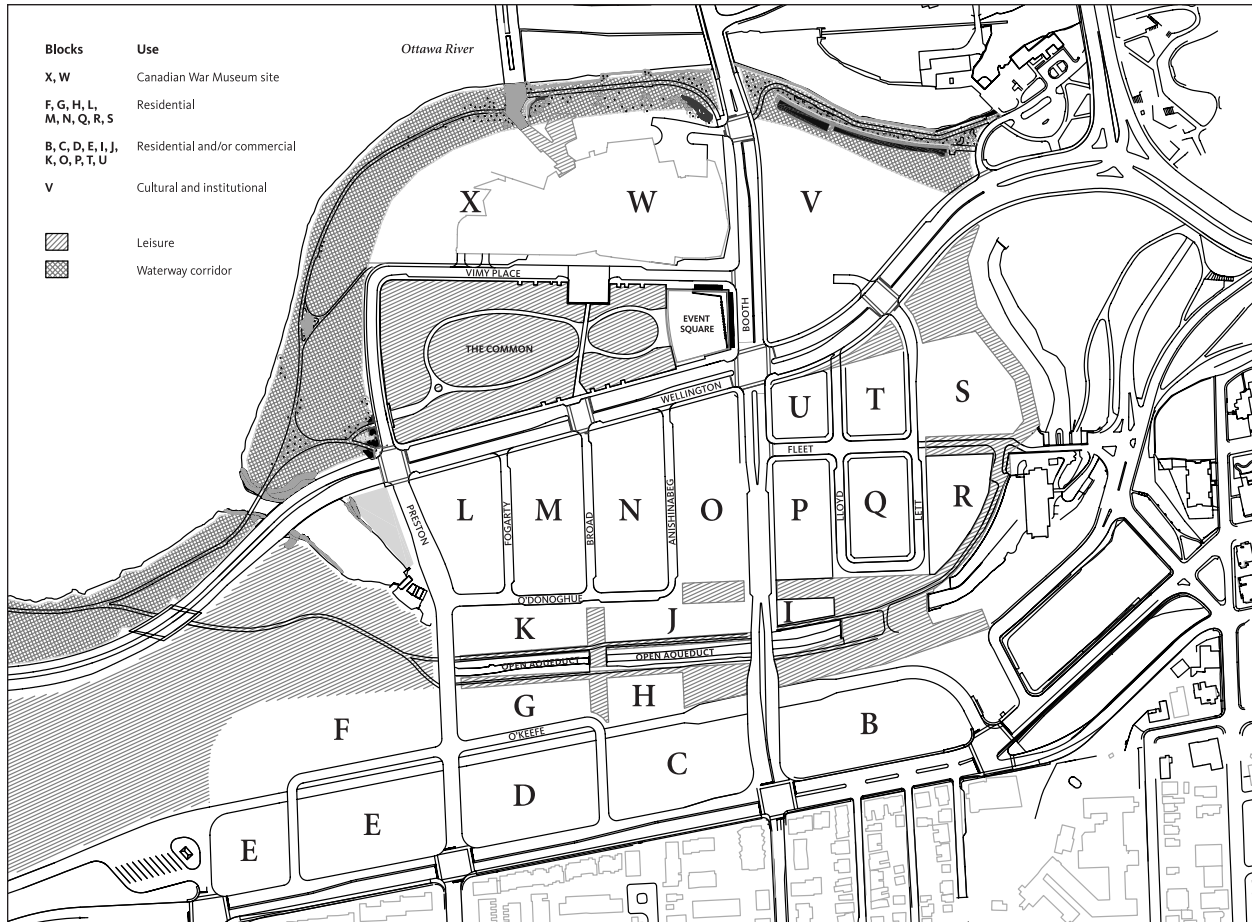
Human Resources: The NCC implemented a new Employee Recognition Program, approved a multi-year Employment Equity Plan, prepared a Health and Safety Action Plan, and approved new policies for emergency response and business continuity.

VARIANCES FROM PLAN

- **Parliament Hill Programming:** Total attendance at the new Sound and Light show exceeded the target attendance of 150,000 by 77,000.
- **Commemorations:** Approval of the Commemorations Strategic Plan will be deferred to early 2006–2007 due to extended consultations.
- **Revenues:** Revenue categories will exceed their targets, including cash sponsorships, leasing, easements and licences, and, in particular, property disposals, which are forecast to be \$30 million (or five times the \$6 million target).
- **Urban Lands Master Plan:** Completion of the plan will be deferred to 2009–2010 due to new planning priorities and a revised approach.
- **Sparks Street Revitalization — 113 Queen Street:** The NCC is reviewing its approach to developing the site, which will delay completion of this target.

APPENDIX C

LeBreton Flats Land Use Map



APPENDIX D

Multi-Year Capital Construction Program for the years ending March 31, 2006 to 2011

(thousands of dollars)

	Total to 2005	2006 Forecast	2007 Projection	2008 Projection	2009 Projection	2010 Projection	2011 Projection
Confederation Boulevard	54,879	1,525	2,155	1,395	1,690	1,595	1,520
Champlain Bridge reconstruction	41,321	10	0	0	0	0	0
Official residences — Rideau Hall	42,373	1,002	3,183	3,183	3,183	1,780	1,780
Official residences — Other residences	4,027	2,059	830	830	830	604	604
Official residences — General non-property specific	3,247	66	487	487	487	616	616
Core area initiatives — LeBreton Flats redevelopment	73,480	9,530	5,700	819	621	8,850	0
Core area initiatives — Sparks Street revitalization	2,004	3,727	0	0	0	0	0
Core area initiatives — The Islands	554	55	0	0	0	0	0
Core area initiatives— Gatineau Park gateway	0	235	250	0	0	0	0
Greenbelt Pathways	2,045	432	0	500	500	150	0
Core and urban parks	12,207	633	680	950	890	500	640
Jacques-Cartier Park rehabilitation	1,989	983	300	300	0	0	0
Urban recreational pathways	9,929	510	285	230	100	325	400
Leamy Lake facilities	2,065	1,053	0	0	0	160	880
Ottawa River Parkway and parkway bridges	3,048	15	1,130	100	920	0	0
Environmental and remediation programs	1,170	1	1,062	937	265	448	348
Rockcliffe Parkway — Pavement rehabilitation	0	0	240	2,400	1,000	0	0
Ottawa River Parkway pavement (Parkdale to Island Park Drive)	0	0	0	100	1,400	0	0
Rockcliffe Park and Parkway	1,415	3	436	1,340	1,255	1,570	500
O'Brien House — Redevelopment	1,552	376	2,189	0	0	0	0
Canadian Museum of Contemporary Photography rehabilitation	0	609	340	500	600	0	0
Moore Farm	0	1,252	2,673	0	0	0	0
Parliament Hill — New Sound and Light Show infrastructure	0	1,001	30	30	30	30	30
Other Projects	57,756	4,765	9,315	7,429	8,387	9,549	10,366
	<u>315,061</u>	<u>29,842</u>	<u>31,285</u>	<u>21,530</u>	<u>22,158</u>	<u>26,177</u>	<u>17,684</u>